



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

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SSA

OFFICE OF GENERAL COUNSEL

B-198620

June 3, 1986

The Honorable William S. Cohen
Chairman, Subcommittee on Oversight
of Government Management
Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

This responds to your recent request for our comments on S.2426, the Contract Disputes Act of 1986.

The first title of this bill incorporates revised language from a bill you introduced earlier this year, S.2223, the Board of Contract Appeals Independence Enhancement Act, 1986. Like S.2223, S.2426 is designed to enhance the independence of members of boards of contract appeals (BCA) by eliminating any possible perception that members of BCAs are insufficiently insulated from agency control.

S.2223 responded to the concerns about the independence of BCA members raised by our report The Armed Services Board of Contract Appeals Has Operated Independently, GAO/NSIAD-85-102, September 1985. In an earlier letter to you, we stated our belief that S.2223 addressed the concerns we identified in our report, and we offered several technical comments and observations concerning S.2223. In this regard, we are pleased that the language of S.2426 also addresses the concerns about the independence of BCA members identified in our earlier report, and that it addresses the technical concerns raised in our earlier letter.

The second title of S.2426 incorporates revised language from an administration bill, S.2006, the Contract Disputes Act Amendments of 1985, that would impose deadlines for the submission of contractor claims against the government and change deadlines for appeals from decisions of the contracting officer to a BCA or federal court. Specifically, it requires that all contractual claims against the government be submitted in writing to the contracting officer within 36 months of the date when such claims accrue. It also changes to 6 months the period during which contractors may appeal a contracting officer's decision to the BCA or federal court.

In an attachment to testimony before the Senate Committee on Governmental Affairs on Management Improvement in the Federal Government delivered February 26, 1986, the Comptroller General has favorably commented on a bill that contains an 18-month filing period for contractor claims against the Government, and a 90-day period for taking appeals from the contracting officer's decision. Nonetheless, we support the principle of establishing a deadline for contractual claims against the Government, and a uniform filing period during which the contractor may appeal a contracting officer's decision to either federal court or a BCA.

Sincerely yours,

Harry R. Van Cleve

Harry R. Van Cleve
General Counsel